

PM 9/20/12

Stolthaven New Orleans L.L.C.



A subsidiary of
Stolt-Nielsen Limited

2444 English Turn Road
Braithwaite, LA 70040
U.S.A.

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September 18, 2012

VIA U.S. MAIL

Louisiana Department of Environmental Quality
P.O. Box 4312
Baton Rouge, LA 70821-4312

Attention: Office of Environmental Compliance-SPOC

Re: Unauthorized Discharge Notification Report
AI No. 87738

Dear Sir/Madam:

An Unauthorized Discharge Notification Report is attached to confirm a verbal report and satisfy requirements for written notification.

Should you have any questions or require additional information, please contact us.

Sincerely,

STOLTHAVEN NEW ORLEANS L.L.C.

Captain Philip Watt
Terminal Manager

Attachment

Cc: Stephen Turchi
Dan Carr
Timothy Smith
Steven Levine

RECEIVED

SEP 24 2012

DEQ
Single Point of Contact

Add'l info.
ISCS/2-15422
T142810

LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY
UNAUTHORIZED DISCHARGE NOTIFICATION REPORT
LAC 33:I.3925.B

1. **The name, address, telephone number, Agency Interest (AI) number (number assigned by the department) if applicable, and any other applicable identification numbers of the person, company, or other party who is filing the written report, and specific identification that the report is the written follow-up report required by this Section;**

Company Name:	Stolthaven New Orleans, LLC
Contact Name:	Timothy J. Smith
Physical Address:	2444 English Turn Road
Mailing Address:	2444 English Turn Road
City, State, & Zip Code:	Braithwaite, LA 70040
Telephone Number:	504-682-1611 (office) 504-559-0223 (cell)
AI Number:	87738

This report serves as written notification of an unauthorized discharge, as required by LAC 33:I.3925. Additional updates will be provided as new information becomes available, per LAC 33:I.3925.A.3.

2. **The time and date of prompt notification, the state official contacted when reporting, the name of the person making that notification, and identification of the site or facility, vessel, transport vehicle, or storage area from which the unauthorized discharge occurred;**

Date and Time of Verbal Notification:	9/11/12 at 11:03PM
State Official Contacted:	Emily Granier, LSP Hotline
Company Official Making Notification:	Timothy Friday
Site Identification:	Stolthaven New Orleans, LLC

3. **Date(s), time(s), and duration of the unauthorized discharge and, if not corrected, the anticipated time it is expected to continue;**

The unauthorized discharges commenced on the morning of August 29, 2012, when the storm surge from Hurricane Isaac overtopped the parish levee system west of the Stolthaven's Braithwaite terminal causing substantial flooding of the facility. It is presumed that some portion of products that had been released from storm-damaged tanks flowed off-site with the storm surge. The precise time that the unauthorized discharged ceased is unknown, however all released product that remained on the site when site access was achieved on August 31st has been retained on site.

Tanks that appeared to have sustained damage sufficient to result in a loss of product were assessed first and gauged, if possible, to determine the amount of product in the tank. The potential release estimates provided in our initial notice and in this report are

based on the best information available, although there are difficulties in comparing pre- and post-storm inventory figures. Multiple variables work in concert to make potential product loss calculations inexact if based strictly on the gauging data currently available:

- 1) Many pre-storm product levels were based on radar gauge data. However radar gauge data is not currently available due to loss of instrumentation systems power caused by the storm. Because post-storm tank gauging was conducted using a hand gauging technique, comparing the pre- and post-storm gauge data is an inexact method for determining whether a particular tank may have lost product as a result of the Hurricane Isaac.
- 2) In advance of the storm strike, some product was transferred into tanks holding less product in order to weigh down those tanks to prevent against tank movement due to storm surge. Some of tanks to (and from) which product was transferred pre-storm may not have been gauged prior to the storm or their measurements may not have been adjusted to reflect actual product quantity.
- 3) When gauging is done by hand, the liquid level is measured in inches. These measurements are logged in the field and later entered into Stolthaven's electronic tank inventory system to be converted to product mass (in pounds) based on density of the product and temperature. This conversion is necessary to enable an accurate comparison of product gain/loss between gauging activities. The same product mass may have a different gauge reading at different times of the day without any product movement due to temperature changes. Due to time constraints, many gauging measurements recorded during storm preparation were not entered into the electronic tank inventory system and were subsequently lost when the storm surge inundated the building where those records were kept
- 4) Some variation in product inventory in the absence of product movement is inherent and contractually acceptable in the third-party bulk terminal industry. This normal and accepted industry variability is due to different gauging techniques, temperature changes, and product characteristics.

Considering these variables, Stolthaven calculated potential inventory losses to the best of its ability based on pre-storm tank levels and more recent post-storm gauge readings, to develop a worst-case estimate of product lost.

These potential losses were reported as unauthorized discharges on September 11th in an abundance of caution under worst-case assumptions. At the time the report was made, there was no indication that the reported quantities had been released from the facility. A second report was made on September 12, 2012, to correct a typographical error resulting one product, Primary Alcohol Ethoxylate, being omitted from the prior report. The tank inventory reconciliation as of September 11, 2012 is provided as Attachment 1.

Stolthaven continues to work on confirming tank integrity and estimating product loss, if any, from each tank. Additional inventory reconciliation will be performed when material remaining in the tanks is ultimately moved from the noted tank into another tank or into outbound trucks, rail cars, and/or marine vessels. Stolthaven will continue to provide updates as information becomes available.

4. **Details of the circumstances (unauthorized discharge description and root cause) and events leading to any unauthorized discharge, including incidents of loss of sources of radiation, and if the release point is subject to a permit:**
 - a. the current permitted limit for the pollutant(s) released;
 - b. the permitted release point/outfall ID; and
 - c. which limits were exceeded (SO₂ limit, mass emission limit, opacity limit, etc.) for air releases;

See paragraph 3.

Not a permitted release.

5. **The common or scientific chemical name of each specific pollutant that was released as the result of an unauthorized discharge, including the CAS number and U.S. Department of Transportation hazard classification, and the best estimate of amounts of any or all released pollutants (total amount of each compound expressed in pounds, including calculations);**

Release estimates are based on current calculated potential product losses are provided in Attachment 2 and will be updated as additional information is obtained, per LAC 33:I.3925.A.3.

6. **A statement of the actual or probable fate or disposition of the pollutant or source of radiation and what off-site impact resulted;**

For actual losses, a yet-to-be-determined portion of the materials listed in Attachment 2 may have been released into the facility's storm water, some of which may have flowed off-site with the storm surge. Also, a yet-to-be-determined portion is being retained on-site. Additional updates will be provided as new information becomes available, per LAC 33:I.3925.A.3.

7. **Remedial actions taken, or to be taken, to stop unauthorized discharges or to recover pollutants or sources of radiation;**

Efforts are currently underway to recover material retained onsite. It is unknown at this time whether, or in what quantities, the materials listed above in Attachment 2 remain in the stormwater contained within each tank farm containment area. Additional updates will be provided as new information becomes available, per LAC 33:I.3925.A.3.

- 8. Procedures or measures which have or will be adopted to prevent recurrence of the incident or similar incidents, including incidents of loss of sources of radiation;**

Emergency response activities continue at the terminal. The facility will evaluate procedures and measures, if any, which need to be adopted to prevent recurrence.

- 9. If an unpermitted or unlicensed site or facility is involved in the unauthorized discharge, a schedule for submitting a permit or license application to the department, or rationale for not requiring a permit or license;**

Not applicable, as the facility is permitted.

- 10. The reporting party's status (former or present owner, operator, disposer, etc.);**

Stolthaven New Orleans, LLC is the present owner and operator of the facility.

- 11. For discharges to the ground or groundwater, the following information shall also be included: all information of which the reporting party is aware that indicates pollutants are migrating, including, but not limited to, monitoring well data; possible routes of migrations; and all information of which the reporting party is aware regarding any public or private wells in the area of the migration used for drinking, stock watering, or irrigation;**

Investigation of the impact of Hurricane Isaac, subsequent flooding, and these releases continues. Additional updates will be provided as new information becomes available, per LAC 33:I.3925.A.3.

- 12. What other agencies were notified;**

Louisiana State Police (SERC) – Incident #: 12-05936

National Response Center (NRC) – Report #: 1024157

- 13. The names of all other responsible parties of which the reporting party is aware;**

No other parties are responsible.

- 14. A determination by the discharger of whether or not the discharge was preventable, or if not, an explanation of why the discharge was not preventable;**

Result of Hurricane Isaac and failure of levees controlled and maintained by third-parties. Emergency response activities continue at the terminal. The facility will evaluate procedures and measures, if any, which need to be adopted to prevent recurrence.

- 15. The extent of injuries, if any;**

No injuries occurred as a result of this event.

16. The estimated quantity, identification, and disposition of recovered materials, if any.

Stormwater remaining on-site after the storm surge receded has been pumped into temporary holding tanks awaiting discharge to the water treatment plant. In the event that the water treatment plant is inoperable or unavailable, the water will be characterized to determine an appropriate disposal method. It is unknown at this time whether or in what quantities these materials may have been contained in the within each tank farms containment area. Additional updates will be provided as new information becomes available, per LAC 33:I.3925.A.3.

ATTACHMENT 1

Stoltthaven New Orleans, LLC
Storage Tank Inventory Reconciliation Resulting from Hurricane Isaac (Information Current as of September 11, 2012 at 19:00)

TANK	STORED PRODUCT	BEFORE (1)		AFTER (1)		VARIANCE (2)		COMMENTS (3)
		LEVEL	GALLONS	LEVEL	GALLONS	GALLONS		
A15-1	Tudalen 5138 Process Oil	21'-7-6"	427,743	21'-5-15"	429,160	1,417		
A15-2	Tudalen 5138 Process Oil	7'-11-0"	153,746	7'-9-13"	154,298	552		Slight tank movement prevents accurate gauging. Regauged 9/11/12 at 14:50.
A15-3	Vivacel 500 (Petroleum Distillates) (Note 5)	22'-2-13"	443,542	22'-0-13"	440,147	-3,395		Regauged 9/11/12 at 15:10. Product heated prior to Isaac. Leak reported previously.
A15-4	Stepan C-42 (C13+ Methyl Esters) (Note 5)	11'-7-2"	226,829	11'-7-2"	226,777	-52		Slight tank movement prevents accurate gauging.
A15-5	Palin Stearine - RBD (Note 5)	13'-11-12"	272,791	13'-10-0"	270,746	-2,045		Slight tank movement prevents accurate gauging. In contact with Tank A50-2.
A15-6	Vivacel 500 (Petroleum Distillates)	3'-3-10"	57,127	3'-7-4"	63,257	6,130		Suspected tank movement prevents accurate gauging.
A50-1	Neodol 25-7 Primary Alcohol Ethoxylate	22'-1-12"	1,465,425	22'-1-5"	1,464,856	-569		Corrected error in product name. Previously showed Ultra S-4 Base Oil.
A50-2	Ultra S-4 Lubricant Base Oil	3'-0-4"	224,287	2'-5-14"	188,126	-36,161		Severe tank movement prevents accurate gauging. Touching A15-5. Known tank leak.
A50-3	Ultra S-4 Lubricant Base Oil (Note 5)	26'-3-2"	1,775,170	26'-2-15"	1,774,471	-699		
A50-4	River Water w/Ergon 36 CST Residue (Note 5)	3'-1-6"	207,553	2'-6-14"	170,052	-37,501		Residue only-tank filled w/water. Est.<1,000-gals of oil. Tank shifted-inaccurate gauge.
A50-5	Neodol 45-7 Primary Alcohol Ethoxylate	11'-6-14"	745,857	11'-5-14"	747,189	1,332		
A50-6	Ultra S-4 Lubricant Base Oil	4'-7-13"	300,716	4'-9-6"	308,530	7,814		Tank shifted towards Tank A50-5. Tank movement prevents accurate gauging.
A50-7	Ultra S-8 Lubricant Base Oil (Note 5)	17'-1-14"	1,141,150	17'-1-7"	1,139,085	-2,065		
A50-8	Ultra S-4 Lubricant Base Oil (Note 5)	7'-10-8"	535,197	7'-10-3"	533,881	-1,316		Tank off foundation & buckled prevents accurate gauging. Emptied to barge post Isaac.
B15-25	Ultra S-2 Lubricant Base Oil (Note 5)	27'-10-7"	474,936	27'-10-2"	474,508	-428		
B50-9	Hexene (Note 5)	31'-2-4"	1,454,032	31'-0-10"	1,442,885	-11,147		Tank Re-gauged September 11, 2012 at 12:05
B50-10	Styrene Monomer (Note 5)	34'-1-11"	1,623,374	34'-3-10"	1,622,338	-1,036		Tank back in re-circulation. Radar gauge used pre-hurricane.
B50-11	Isopropyl Alcohol (IPA)	7'-2-6"	307,031	7'-2-6"	308,006	975		
B50-12	Styrene Monomer	24'-8-13"	1,156,232	24'-9-4"	1,158,204	1,972		Inventory gain due to clearing lines into the storage tank pre-hurricane.
B50-13	Diethanolamine (DEA) (Note 5)	3'-11-12"	171,984	N/A	N/A	Note (4)		Tank roof is inverted. Currently unsafe to gauge tank from roof.
B50-14	Diethanolamine (DEA) (Note 5)	0'-3-11"	4,118	N/A	N/A	Note (4)		Tank floated onto dike wall. Roof is inverted. Currently unsafe to gauge tank from roof.
B50-15	Tall Oil, Crude (Note 5)	34'-9-13"	1,602,576	34'-8-13"	1,599,988	-2,588		Normal variance for this product. Sludge in bottom of tank. Heated material.
B50-16	Tall Oil, Crude	9'-10-15"	443,334	9'-10-8"	444,006	672		
B80-1	Aviation Gasoline (Note 5)	42'-10-13"	861,340	43'-0-5"	851,609	-9,731		Pre-Isaac gauge from 8/28/2012 is suspect. Five post-Isaac are gauges consistent.
B80-2	Octene-1 (Note 5)	17'-7-12"	1,320,103	17'-7-8"	1,317,220	-2,883		
B80-3	Diethanolamine (DEA) (Note 5)	0'-1-8"	1,240	N/A	N/A	Note (4)		Severe tank movement noted prevents accurate gauging.
B110-1	Isopropyl Alcohol (IPA)	21'-10-2"	2,098,218	21'-10-0"	2,098,306	88		
B110-2	Ethanol (Denatured Alcohol)	27'-9-7"	2,674,245	27'-11-2"	2,688,998	14,753		Re-gauged September 11, 2012 at 11:35. Product lines cleared into tank pre-hurricane.
C15-7	Aminopiperazine	18'-8-12"	325,126	18'-8-12"	325,878	752		
C15-8	C12-C14 Fatty Alcohols	0'-0-8"	283	0'-0-2"	205	-78		Tank bottom damage due to flood water uplift.
C15-9	Stepan C-42 (C13+ Methyl Esters) (Note 5)	22'-3-13"	379,653	22'-3-4"	379,498	-155		
C15-10	Soapstocks, Soybean (Note 5)	0'-4-8"	2,050	0'-1-8"	345	-1,705		Tank bottom damage due to flood water uplift. Could prevent accurate gauging.
C15-11	2-Ethyl Hexanol (2-EH)	25'-1-7"	428,981	25'-1-6"	429,456	475		
C15-12	Lutensil Z 96 Surfactant	19'-3-14"	323,821	19'-3-2"	325,179	1,358		Product lines cleared into tank pre-hurricane. Heated product - temperature dropping.
C15-13	Neodol 25-3 Primary Alcohol Ethoxylate	17'-9-8"	302,315	17'-9-3"	302,423	108		
C15-14	SN 100 Lubricant Base Oil (Note 5)	14'-6-10"	248,046	14'-6-4"	248,019	-27		
C15-15	COP Acid Water (Note 5)	27'-5-7"	477,271	27'-4-11"	476,316	-955		
C15-16	Isononanoic Acid (Note 5)	20'-4-11"	349,897	20'-5-12"	347,927	-1,970		Checking pre-Isaac tank gauge. Potential error.

Storage tank inventory reconciliation efforts at Stoltthaven New Orleans are ongoing and data will be adjusted accordingly.

Stolthaven New Orleans, LLC
Storage Tank Inventory Reconciliation Resulting from Hurricane Isaac (Information Current as of September 11, 2012 at 19:00)

TANK	STORED PRODUCT	BEFORE (1)		AFTER (1)		VARIANCE (2)	COMMENTS (3)
		LEVEL	GALLONS	LEVEL	GALLONS	GALLONS	
D8-1	Amine LP (Amine Blend) (Note 5)	20'-1-0"	176,948	19'-11-12"	176,544	-404	
D8-2	Glycerine (Refined)	10'-4-4"	90,570	10'-4-4"	91,062	492	
D8-3	Amine DCT (Amine Blend)	4'-9-14"	40,866	4'-10-4"	41,265	399	
D8-4	Methyl Acrylate (Note 5)	11'-2-12"	310,668	11'-2-10"	310,084	-584	
D8-5	Ultra S-2 Lubricant Base Oil (Note 5)	18'-6-3"	162,185	18'-6-7"	161,897	-288	
D8-6	Palm Olein (Refined, Bleached Deodorized)	19'-1-11"	167,531	19'-1-1"	167,893	362	
D8-7	Amine HST (Amine Blend) (Note 5)	9'-11-12"	85,761	9'-10-0"	85,535	-226	
D8-8	Empty Storage Tank	0	0	0	0	0	Storage tank was empty at the time of the hurricane.
E12.5-1	Triethylenetriamine (Linear) (Note 5)	17'-1-12"	233,098	17'-2-3"	232,670	-428	
E12.5-2	Neodecanoic Acid (Note 5)	34'-7-7"	471,838	34'-7-0"	470,849	-989	
E12.5-3	Ethylene Glycol, Mono- (MEG) (Note 5)	28'-11-8"	394,605	28'-11-1"	394,009	-596	
E12.5-4	Ethylene Glycol, Mono- (MEG)	31'-6-7"	428,903	31'-7-11"	430,445	1,542	
E12.5-5	SN 100 Lubricant Base Oil (Note 5)	35'-8-10"	488,081	35'-7-4"	484,628	-3,453	Checking pre-Isaac tank gauge. Believed to be in error.
E12.5-6	Methyl Acrylate	34'-0-6"	203,825	33'-10-8"	205,757	1,932	Product lines cleared into the storage tank pre-Isaac.
E12.5-7	Neo Pentyl Glycol (90%) (Note 5)	11'-4-11"	149,244	11'-2-14"	148,974	-270	
E12.5-8	Mixed Fatty Acid Distillates	36'-10-5"	496,838	36'-4-4"	496,877	39	Re-gauged September 11, 2012 at 13:00
E12.5-9	Alfoterra 123-8s Surfactant	7'-3-6"	101,493	7'-3-8"	102,016	523	
E12.5-10	Alfoterra 123-8s Surfactant (90%) (Note 5)	7'-10-14"	105,549	7'-10-12"	104,782	-767	
H25-1	Ethylene Glycol, Mono- (MEG) (Note 5)	42'-7-8"	961,256	42'-6-13"	961,030	-226	
H25-2	Formic Acid (95%)	29'-7-14"	666,709	29'-7-13"	666,964	255	
H30-1	Ultra S-3 Lubricant Base Oil	27'-4-11"	727,826	27'-4-8"	728,103	277	
H30-2	Alcohols, C10-16 (Safol 23) (Note 5)	0'-0-4"	937	0'-0-0"	0	-937	Tank damaged due to flood water uplift. Tank emptied.
H30-3	Tetramer BR (Alkenes, C10-14) (Note 5)	23'-6-6"	634,529	23'-6-0"	634,027	-502	
H30-4	Octene-1	20'-11-10"	563,021	20'-11-12"	563,049	28	
H30-5	Monochlorobenzene (MCB)	34'-4-4"	599,842	34'-3-12"	600,466	624	
H30-6	Octene-1	3'-0-3"	80,467	0	0	-80,467	Tank damaged due to flood water uplift. Known leak reported.
V2-1	Tudalen 5138 Process Oil	0	0	0	0	0	
V2-2	Tudalen 5138 Process Oil	0	0	0	0	0	
V2-3	Vivatic 500 (Petroleum Distillates) (Note 5)	0'-3-12"	162	0'-3-13"	104	-58	
V2-4	Dimethenamid Tech	4'-2-0"	20,438	4'-1-14"	20,363	-75	

Note (1): Different gauging techniques may be utilized to determine tank inventories. Radar gauge data is not available after Hurricane Isaac due to loss of power at the Stolthaven New Orleans facility.

Note (2): Some variation in product inventory is inherent and is contractually acceptable in the third-party terminalling industry due to different gauge techniques, temperature changes, and product characteristics.

Note (3): Additional inventory reconciliation will be performed when the stored material is ultimately moved from the noted tank into another tank or into outbound trucks, rail cars, and/or marine vessels.

Note (4): Diethanolamine (DEA) becomes a solid at approximately 82° F.

Note (5): Potential product loss was reported as an unauthorized discharge to the Louisiana State Police in an abundance of caution.

ATTACHMENT 2

Material/Pollutant	CAS Number	U.S. DOT Hazard Classification	Estimated Quantity Potentially Released (gallons)	Estimated Quantity Range Reported (gallons)
Vivatec 500 (Petroleum Distillates)	3915-83-7	UN1268	58 *	< 100
Stepan C-42 (C13+ Methyl Esters)	1731-88-0	-	207 *	< 500
Amine HST (Amine Blend)	-	-	226 *	
Neo Pentyl Glycol (90%)	126-30-7	UN2811	270 *	
Ultra S-2 Lubricant Base Oil	64742-55-8	UN1268	288 *	
Amine LP (Amine Blend)	-	-	404 *	
Triethylenetriamine (Linear)	4730-54-5	UN2259	428 *	
Tetramer BR (Alkenes, C10-14)	93821-12-6	-	502 *	
Methyl Acrylate	96-33-3	-	584 *	< 1,000
Alfoterra 123-8s Surfactant (90%)	958238-81-8	-	767 *	
Ethylene Glycol, Mono- (MEG)	107-21-1	-	822 *	
Alcohols, C10-16	67762-41-8	UN3082	937 *	
Acid Water (adipic acid/formic acid)	124-04-09/64-18-6	-	955 *	
Neodecanoic Acid	26896-20-8	-	989 *	
Primary Alcohol Ethoxylate (25-7)	68213-23-0 68002-97-1	-	989 *	
Ergon 36 CST	-	-	999 *	< 2,000
Styrene Monomer	100-42-5	-	1,036	
Soapstocks, Soybean	-	-	1,705	
Isononanoic Acid	26896-18-4	c	1,970	
Palm Stearine - RBD	-	-	2,045	< 3,000
Ultra S-8 Lubricant Base Oil	64742-54-7	UN1268	2,065	
Ultra S-4 Lubricant Base Oil	64742-54-7	UN1268	2,584	
Tall Oil (Crude)	61790-17-3 8050-09-7	-	2,588	
Octene-1	111-33-0	UN3295	2,883	
SN 100 Lubricant Base Oil	64742-54-7	-	3,480	< 3,500
Aviation Gasoline	8008-20-6 (kerosene)	UN1863	9,731	< 10,000
Hexene	592-41-6	UN2370	11,147	< 12,000
Diethanolamine (DEA)	111-42-2	-	177,342	< 178,000

* Potential loss within acceptable industry variance.